

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re:

VASCULAR ACCESS CENTERS, L.P.,

Debtor.

Chapter 11

Case No. 19-17117-AMC

**STIPULATION AND CONSENT ORDER PURSUANT TO SECTIONS  
105(a), 363(b) AND 553 OF THE BANKRUPTCY CODE AND LOCAL  
BANKRUPTCY RULE 9013-3 FOR AUTHORIZATION TO HONOR AND  
CONTINUE TO PERFORM UNDER PREPETITION STIPULATION AND  
ORDER OF SETTLEMENT AND DISMISSAL WITH THE UNITED  
STATES OF AMERICA**

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This matter having been opened to the Court upon the application (the “Application”) of Stephen V. Falanga, in his capacity as chapter 11 trustee (the “Trustee”) for the bankruptcy estate of Vascular Access Centers, L.P. (the “Debtor”), pursuant to sections 105(a), 363, and 553 of Title 11 of the United States Code (the “Bankruptcy Code”) and Local Bankruptcy Rule 9013-3, for the entry of a Stipulation and Consent Order (the “Consent Order”) authorizing the Debtor to honor and continue to perform under a certain prepetition Stipulation and Order of Settlement and Dismissal entered into by and among the Debtor, certain subsidiary and/or related corporations of the Debtor<sup>1</sup> defined collectively as the VAC Centers, and the United States of America, and so-

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<sup>1</sup> The VAC Centers party to the DOJ Settlement include Vascular Access Center of Atlanta LLC; Vascular Access Center of Atlantic County LLC; Vascular Access Center of Bolivar County LLC; Vascular Access Center of Central Jersey LLC; Vascular Access Center of Durham LLC; Vascular Access Center of Eatontown LLC; Vascular Access Center of Georgia LLC; Vascular Access Center of Houston LLC; Vascular Access Center of Jacksonville LLC; Vascular Access Center of Jersey City LLC; Vascular Access Center of Memphis LLC; Vascular Access Center of New Orleans LLC; Vascular Access Center of North Shore Louisiana LLC; Vascular Access Center of Pittsburgh LLC; Vascular Access Center of Prince George County LLC; Vascular Access Center of Seattle LLC; Vascular Access Center of South Atlanta LLC; Vascular Access Center of South Los Angeles LLC; Vascular Access Center of Southern Maryland LLC; Vascular Access Center of Southwest Louisiana LLC; Vascular

ordered on October 19, 2018 in Civil Case No. 12-5103 (S.D.N.Y.) (hereinafter the “DOJ Settlement”); and the Court having considered the Application and any opposition thereto; and the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and (c) notice of the Application has been served on those parties required to receive notice; and the parties wishing to avoid the time and expense of potential motion practice on a matter to which the parties have agreed; and the Court having determined that the legal and factual bases set forth in the Application and Consent Order establish just cause for the relief granted herein; and the Court having determined that the relief sought in the Application and Consent Order as granted herein is in the best interests of the Debtor and its estate; and after due deliberation and sufficient cause appearing therefore;

It is hereby STIPULATED, AGREED AND ORDERED:

1. Pursuant to sections 105, 363 and 553 of the Bankruptcy Code, the Debtor and/or the Trustee on its behalf, shall be, and hereby is, authorized to honor and continue to perform under the DOJ Settlement, as described more specifically in the Application and in particular the payments made by the Debtor on January 13, April 13, and April 28, 2020, which total \$402,500, are hereby ratified and approved in all respects.

2. The United States of America is authorized, subject to the terms of the DOJ Settlement, to: 1) receive post-petition payments on account of the DOJ Settlement if provided for in the DOJ Settlement or otherwise agreed to by the Debtor and/or the Trustee on the Debtor’s behalf; and 2) upon failure by the Debtor and/or the Trustee on the Debtor’s behalf to make the

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Access Center of Trenton LLC; Vascular Access Center of Washington DC LLC; and Vascular Access Center of West Orange LLC (collectively, the “VAC Centers”).

agreed upon quarterly settlement payments as and when due under the DOJ Settlement, upon ten (10) days' prior written notice, offset the agreed upon quarterly settlement amount (or any unpaid portion thereof) from amounts due the Debtor and/or the other non-debtor VAC Centers from the United States, even if those amounts are for post-petition amounts due including for medical services rendered post-petition, without the need for further Court approval beyond this Order. Nothing herein shall be deemed a finding as to whether the United States of America has a right of setoff or recoupment and/or that the offset permitted hereunder is in the nature of recoupment or setoff.

3. The Debtor and/or the Trustee on the Debtor's behalf is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order and make the payments required under the DOJ Settlement.

4. Nothing in this Order shall be deemed to constitute an assumption of the DOJ Settlement under section 365 of the Bankruptcy Code. Nothing herein affects the United States' ability to exercise its rights under the DOJ Settlement agreement. For the avoidance of doubt, beyond the offset set forth in section 2 above, nothing herein authorizes the United States to affect any other setoffs under section 553 of the Bankruptcy Codes against funds due the Debtor without Court permission.

5. The Court shall retain jurisdiction over all matters arising from or related to the interpretation and implementation of this Order.

STIPULATED AND AGREED,

STEPHEN V. FALANGA  
Chapter 11 Trustee

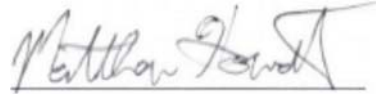


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Dated: June 10, 2020

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*Counsel for the United States of America*

Dated: June 10, 2020

SO ORDERED BY THE COURT:

Dated: June 11, 2020



HONORABLE ASHELY M. CHAN  
UNITED STATES BANKRUPTCY JUDGE